

Message Text

UNCLASSIFIED

PAGE 01 PARIS 14651 01 OF 02 081807Z
ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 CAB-05 CIAE-00 COME-00
DODE-00 DOTE-00 INR-10 NSAE-00 FAA-00 L-03 SS-15
SP-02 NSC-05 ITC-01 /062 W
-----044122 081835Z /43

R 081715Z MAY 78
FM AMEMBASSY PARIS
TO SECSTATE WASHDC 1178
INFO AMEMBASSY LONDON
AMEMBASSY BONN
AMEMBASSY ROME
AMEMBASSY BERN
AMEMBASSY THE HAGUE
AMEMBASSY BRUSSELS
AMEMBASSY MADRID
AMEMBASSY LISBON
AMEMBASSY DUBLIN
AMEMBASSY COPENHAGEN
AMEMBASSY STOCKHOLM
AMEMBASSY OSLO
AMEMBASSY LUXEMBOURG

UNCLAS SECTION 01 OF 02 PARIS 14651

E.O. 11652: N/A
TAGS: EAIR, FR
SUBJECT: CIVAIR: NEW CAB PROPOSALS FOR CHARTER RULES

FOLLOWING IS AN UNOFFICIAL EMBASSY TRANSLATION OF A
LETTER DATED APRIL 28 TO THE CIVIL AIR ATTACHE FROM
CLAUDE ABRAHAM, DIRECTOR GENERAL OF CIVIL AERONAUTICS
FOR FRANCE, IN WHICH HE OFFICIALLY COMMENTS ON THE
MARCH 14 CIVIL AERONAUTICS BOARD NOTICE OF PROPOSED RULE
MAKING TO CHANGE CERTAIN U.S. CHARTER RULES. THE
LETTER IS BEING ACKNOWLEDGED BY THE EMBASSY, WITHOUT
SUBSTANTIVE REPLY, AND UPON REQUEST WILL BE FORWARDED
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 PARIS 14651 01 OF 02 081807Z

IN ITS ORIGINAL VERSION TO THE CAB FOR INCLUSION IN THE
DOCKET.

QUOTE FOLLOWING ARE MY COMMENTS ON CAB'S PROPOSAL
FOR CHARTER FLIGHT REGULATIONS PUBLISHED MARCH 14. THE
PROJECT AIMS ESSENTIALLY AT ABOLISHING FLIGHT CATEGORIES
SUCH AS ABC, TGC, ITC, OTC, SGC, SEC AND "AFFINITY" AND

REPLACE THEM WITH A SINGLE PUBLIC CHARTER" CATEGORY.
THE OBLIGATION BY THE CARRIER TO COMMERCIALIZE HIS
FLIGHTS THROUGH A CHARTER OPERATOR IS THE ONLY CONDITION
IMPOSED ON THIS NEW CATEGORY.

I AM NOT ARGUING THAT THE PUBLIC SHOULD NOT BE GIVEN
A WIDER RANGE OF TRANSPORTATION POSSIBILITIES AT BETTER
PRICES. HOWEVER, I DO CONSIDER THAT IN THE LONG RUN THE
MEASURES BEING CONSIDERED MAY SIGNIFICANTLY PREJUDICE
THE ECONOMIC VIABILITY OF AIR TRANSPORTATION OVER THE
NORTH ATLANTIC WHILE CONSTITUTING A UNILATERAL CHALLENGE
TO THE PRINCIPLES REGARDING THE DISTINCTION BETWEEN
SCHEDULED AND NON-SCHEDULED FLIGHTS, SUCH PRINCIPLES
BEING RECOGNIZED INTERNATIONALLY.

FROM STRICTLY AN ECONOMIC STANDPOINT, THIS LIBERA-
LIZATION OF THE OPERATING CONDITIONS APPEARS TO ME BOTH
PREMATURE AND FULL OF CONSEQUENCES THAT COULD BECOME
DETRIMENTAL TO THE ENTIRE AVIATION COMMUNITY.

IT IS NOT LEGITIMATE THEREFORE TO DRAW ARGUMENTS
FROM THE INTRODUCTION OF NEW COMPETITIVE TARIFFS SUCH
AS SUPER APEX, BUDGET AND STANDBY FARES TO JUSTIFY NEW
MEASURES LIBERALIZING CHARTER CONDITIONS, WHILE IT IS
STILL TOO PREMATURE TO FULLY SIZE UP THE COMPETITIVE
IMPACT OF THESE TARIFFS. FURTHERMORE, THESE TARIFFS
WERE INTRODUCED ONLY FOR THE 1978 SUMMER SEASON AND ON
A LIMITED NUMBER OF ROUTES WITH, IN MOST CASES, STRICT
LIMITATIONS OF CAPACITIES. THIS IS THE CASE IN FRANCE
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 PARIS 14651 01 OF 02 081807Z

WHERE THE NEW "MID-WEEK" TARIFF IS APPLICABLE TO ONLY
TWO WEEKLY PARIS AND NEW YORK FLIGHTS AND FOR 40 PER
CENT OF THE SEATS.

UNDER THESE CONDITIONS, NON-SCHEDULED SERVICES
REMAIN PERFECTLY COMPETITIVE AND NOTHING, AT LEAST AT
THIS STAGE, CAN JUSTIFY LIBERALIZING OPERATING
CONDITIONS. I WOULD LIKE TO REMIND, AT THIS POINT, THAT
THE TRAFFIC OF CHARTER FLIGHTS BETWEEN THE U.S. AND
FRANCE (90 PER CENT OF IT BY AMERICAN COMPANIES) HAS
INCREASED BY 42 PER CENT BETWEEN 1975 AND 1976 AND BY
39 PER CENT BETWEEN 1976 AND 1977 WHILE DURING THE SAME
PERIOD REGULAR TRAFFIC HAS INCREASED 13 AND 9 PER CENT.

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 PARIS 14651 02 OF 02 081831Z
ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 CAB-05 CIAE-00 COME-00
DODE-00 DOTE-00 INR-10 NSAE-00 FAA-00 L-03 SS-15
SP-02 NSC-05 ITC-01 /062 W
-----044282 081835Z /72

R 081715Z MAY 78
FM AMEMBASSY PARIS
TO SECSTATE WASHDC 1179
INFO AMEMBASSY LONDON
AMEMBASSY BONN
AMEMBASSY ROME
AMEMBASSY BERN
AMEMBASSY THE HAGUE
AMEMBASSY BRUSSELS
AMEMBASSY MADRID
AMEMBASSY LISBON
AMEMBASSY DUBLIN
AMEMBASSY COPENHAGEN
AMEMBASSY STOCKHOLM
AMEMBASSY OSLO
AMEMBASSY LUXEMBOURG

UNCLAS SECTION 02 OF 02 PARIS 14651

LOOKING BEYOND THE SHORT TERM AND PURELY OPPORTUNIS-
TIC CONSIDERATIONS, I FURTHER BELIEVE THAT THE MEASURES
ENVISIONED STEM FROM A TENDENCY WHICH THREATENS THE
VIABILITY OF REGULAR AS WELL AS NON-REGULAR OPERATIONS
OVER THE NORTH ATLANTIC. ANY RELAXATION OF REGULATION
FOR NON SCHEDULED FLIGHTS HAS SO FAR RESULTED IN TARIFFS
ON REGULAR FLIGHTS DESIGNED TO RESTORE COMPETITIVENESS
WHICH, IN TURN, CALLS FOR A NEW EASING OF OPERATING
CONDITIONS OF NON REGULAR SERVICES. THIS OVERBIDDING
OF THE PRICE DECLINE WHICH TODAY THREATENS THE FINANCIAL
BALANCE OF THE LESS COMPETITIVE CARRIERS MAY FORCE SOME
OF THEM, REGUAAR AND NON REGULAR, TO WITHDRAW FROM THE
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 PARIS 14651 02 OF 02 081831Z

MARKET, THUS CAUSING ON CERTAIN ROUTES QUASI-MONOPOLIS-
TIC SITUATIONS WHICH ARE POLITICALLY UNACCEPTABLE.
FURTHERMORE, IT IS EASY TO PREDICT THAT THIS ACTION,
AFTER A TEMPORARY LOWERING OF THE TARIFFS, WILL CREATE
ECONOMIC CONDITIONS FAVORABLE TO A REINCREASE
OF TARIFF AND CHARTER PRICES, WHICH GO AGAINST THE
PUBLIC INTEREST.

FROM A LEGAL STANDPOINT, THE MEASURES ENVISIONED
IN THE NPRN OF 14 MARCH WILL WIPE OUT THE DISTINCTION

BETWEEN REGULAR AND NON REGULAR SERVICES AND SO RENDER VOID ARTICLE 5 AND 6 OF THE CHICAGO CONVENTION.

THESE MEASURES DO, IN FACT, FOR EXISTING NON SCHEDULED FLIGHT CATEGORIES (EXCEPT "MILITARY CHARTER" AND "SINGLE ENTITY") NULLIFY THE WHOLE ARGUMENT FOR ADMITTING THE CONCEPT OF CHARTER OPERATIONS, THE JUSTIFICATION OF WHICH CONSIST PRECISELY IN THE NECESSITY FOR A CLEAR DISTINCTION BETWEEN SCHEDULED AND NON SCHEDULED AIR SERVICES.

THE "PUBLIC CHARTER" PROPOSAL TO REPLACE THE EXISTING OLD CATEGORIES ENTAILS HENCEFORTH THAT THE ENTIRE DISTINCTION BETWEEN THE TWO TYPES OF SERVICE IS BASED SOLELY ON THE EXISTENCE OF A CHARTER CONTRACT: THE OTHER CHARACTERISTICS OF THE "PUBLIC CHARTER" I.E. POSSIBILITY OF CANCELLING THE FLIGHT FOR COMMERCIAL REASONS, PENALTY TO PASSENGERS CANCELLING RESERVATIONS 15 DAYS PRIOR TO DEPARTURE, OBLIGATION TO RESERVE THE RETURN FLIGHT BEFORE THE DEPARTURE IN THE CASE OF ROUND TRIP FLIGHTS, ONLY AFFECT THE SECONDARY ELEMENTS OF THE OPERATION, SOME OF WHICH ARE NOT EVEN PROPER TO CHARTER FLIGHTS AND CANNOT BE TAKEN INTO CONSIDERATION TO DISTINGUISH BETWEEN SCHEDULED AND NON SCHEDULED SERVICES.

RESORTING ONLY TO THE EXISTENCE OF THE CHARTER CONTRACT AS A CRITERIA IS DEFINITELY INSUFFICIENT TO UNCLASSIFIED

UNCLASSIFIED

PAGE 03 PARIS 14651 02 OF 02 081831Z

ENSURE THIS DISTINCTION. IT PARTICULARLY REVEALS INSUFFICIENCY IN THE CASE OF IN PART CHARTER, A CONCEPT ADMITTED BY SEVERAL STATES INCLUDING FRANCE IN ITS "BLOCK OF SEATS" CONFIGURATION.

THEREFORE IT IS, IN FACT, THE DISTINCTION BETWEEN SCHEDULED AND NON-SCHEDULED AIR SERVICE WHICH IS BEING CHALLENGED THROUGH THE CAB PROPOSAL AND SO ARE THE TERMS OF THE CHICAGO CONVENTION. BEYOND THE REQUIREMENTS FOR CONSULTATION BETWEEN STATES CONCERNED, TO WHICH FRANCE IS PARTICULARLY SENSITIVE, IT DOES NOT APPEAR ACCEPTABLE TO ME THAT ONE OF THE VERY FOUNDATIONS OF THE INTERNATIONAL AIR TRANSPORTATION BE MODIFIED UNILATERALLY IN THIS MANNER.

I WOULD APPRECIATE IF YOU WOULD BRING THE ABOVE COMMENTS TO THE ATTENTION OF THE U.S. AUTHORITIES CONCERNED. UNQUOTE.
HARTMAN

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: RULES, CIVIL AVIATION, TEXT, DIPLOMATIC COMMUNICATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 08 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978PARIS14651
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780195-0062
Format: TEL
From: PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780583/aaaacsnf.tel
Line Count: 218
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: d5dcb4a2-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2762030
Secure: OPEN
Status: NATIVE
Subject: CIVAIR: NEW CAB PROPOSALS FOR CHARTER RULES FOLLOWING IS AN UNOFFICIAL EMBASSY TRANSLATION OF A LETTER DATED APRIL 28 TO THE CIVIL AIR ATTACHE FRO
TAGS: EAIR, FR, US, CAB, (ABRAHAM, CLAUDE)
To: STATE
Type: TE
vdkgvkey: odb://SAS/SAS.dbo.SAS_Docs/d5dcb4a2-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014